

**FLOOR STATEMENT OF
THE HONORABLE JAMES L. OBERSTAR
H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
JANUARY 27, 2009**

- I am pleased to rise in strong support of H.R. 1, the “American Recovery and Reinvestment Act of 2009”.

- With more than 1.4 million construction workers out of work, and the construction industry suffering the highest unemployment rate (15.3 percent) of any industrial sector, this bill is urgently needed to put America back to work. The infrastructure investments funded by this bill will create good, family-wage jobs -- jobs that cannot be outsourced to another country, because the work must be done here in the U.S. on our roads, bridges, transit and rail systems, airports, waterways, wastewater treatment facilities, and Federal buildings.

- For more than a year now, I have worked to ensure that infrastructure investment plays a key role in our nation's economic recovery.

- I thank Chairman Obey for working with me in this effort. We consulted extensively on the transportation and infrastructure provisions in the bill. Although the legislation before us today does not include everything I had

proposed, it is a very good start, and I am hopeful it can be improved and fine-tuned as deliberations continue.

- In December 2008, I proposed to House Leadership that the economic recovery legislation include at least \$85 billion for transportation, environmental, and other public infrastructure investments. H.R. 1 includes approximately \$63 billion for these programs.
- My proposal adhered to the following six principles:
 1. Funds must be invested in **ready-to-go projects**. I believe we need an aggressive timetable for the use of funds, including a **90-day, “use-it-or-lose-it” requirement** for 50 percent of the funds, which will produce a “quick hit” that will jump-start our economy and create a substantial number of new construction jobs by June.
 2. Funds must be used to create **green-collar jobs** and invest in projects that decrease our dependence on foreign oil and address global climate change.

3. The steel, iron, and manufactured goods required for these projects must be **manufactured in the United States**.
 4. Wherever possible, **funds must be distributed by existing statutory formulas, with no earmarks**, to expedite the flow of funds.
 5. **Transparency and accountability** in the use of funds must be achieved.
 6. States and other recipients of formula funds must **maintain their effort** in terms of current State and local investment levels.
- These principles are, in large measure, reflected in the legislation before us today.
- Although the use-it-or-lose-it deadline in the bill is currently set at 180 days, I am hopeful it can be shortened to 90 days, and I will be offering an amendment to do so.

- On December 18, I had a lengthy conference call with 14 State Secretaries of Transportation and Chief Executive Officers of public transit agencies. I outlined for them my 90-day, use-it-or-lose-it proposal, which would require them to obligate 50 percent of the funds allocated to them within 90 days.
- Every one of the participants on the conference call enthusiastically affirmed that they are ready to go within 90 days and can meet the use-it-or-lose-it requirement.
- In another conference call earlier this month and at a Committee hearing last week, we were again assured that State and local grant recipients are proactively preparing to meet tight deadlines and will be able use these funds quickly.
- Despite these assurances from State and local officials, some here in Washington are skeptical that a 90-day deadline can be met. This skepticism is why the use-it-or-lose-it deadline was extended to 180 days in last week's Appropriations Committee mark-up.
- Ninety days is a tight deadline, but that is exactly what we need.

- Business as usual is not good enough anymore.
- If the purpose of this legislation is to be achieved, then we must set tight deadlines, and hold everyone – from Federal agencies to State and local grant recipients – accountable to them.
- I firmly believe that the infrastructure funds provided by this bill can – with the right incentives – produce a substantial number of jobs by June, while also improving our deteriorating infrastructure and laying the foundation for our future economic growth.
- I thank Speaker Pelosi, Chairman Obey, Chairman of the Committee on Appropriations, and Chairman Olver, Chairman of the Subcommittee on Transportation, Housing and Urban Development, and Independent Agencies, for working with me throughout the development of this legislation.
- I strongly urge your support for H.R. 1, a true investment in America's future.